

12) Under which project category is this application being submitted?
(If more than one, check area of predominant emphasis)

- (1) ☐ Community Services
- (2) ☐ Crime Prevention
- (3) ☐ Education
- (4) ☐ Job Training
- (5) ☐ Physical Revitalization
- (6) ☐ Economic Development

13) Please check the items that are attached to this application:
(See Guidelines for instructions on items and number of copies required)

- ☐ Narrative
- ☐ Budget
- ☐ Budget Justification
- ☐ Articles of Incorporation
- ☐ By-Laws
- ☐ Local Government Endorsement
- ☐ Pledge Letters of Financial Support
- ☐ Audit Report
- ☐ Map of Service Area
- ☐ Job Descriptions
- ☐ Minutes of Board Meeting Approving This Application

III: CERTIFICATION

I hereby certify that the Board of Directors has reviewed this application and authorized me to submit this application to the Neighborhood Assistance Program.

Executive Director (signature)

Date



Signature _____ Date _____



DEPARTMENT OF ECONOMIC DEVELOPMENT
ECONOMIC DEVELOPMENT PROGRAMS
N.A.P. BUDGET

Important:
Please indicate the project period that corresponds to this budget.
☐ One year ☐ Two years ☐ Three years

Applicant: _____

Please round all figures to the nearest dollar.			Other Funding Sources (Specify)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line Items	Total Project	Business Support				
A Total Project Budget	\$	\$	\$	\$	\$	\$
		%	%	%	%	%
B Total Salaries and Wages						
C Total Fringe Benefits						
D Total Consultant/Contract Services						
E Total Travel Costs						
Local						
Out-of-Town						
F Total Equipment (Lease or Purchase)						
G Total Building and Space Costs						
H Total Consumable Supplies						
I Total Other Costs						



Budget Instructions

The following instructions are designed to assist you in preparing your budget. A project budget is a coordinated plan of financial action to reach your objectives. Its purpose is to aid you in holding to the plan of action developed to obtain your proposed program results. The adoption of your budget by the Board of Directors and its acceptance by the funding source is an expression of satisfaction with your project if executed as planned. This budget is applicable to this project only.

BUDGET COLUMNS - The project budget is broken down into a series of columns (1 through 7) designed to give D.E.D. a total view of the resources available to the proposed project.

Column 1: Line Items—The Line Items column lists the various expenses to be charged against the project individually and sub-totaled by category. The basis for estimating these costs should be included in Budget Justification.

Column 2: Total Project—In this column total all expenses charged to the project in this budget including all financial support other than this request. This is done by adding for each line item the totals of columns 3 through 7.

Column 3: Business Support—In this column indicate the total support by line item sought from businesses. Also, indicate what percent of the total budget this represents.

Column 4-7: Other Funding Sources—In these columns indicate by line item the total support available to the project. Please specify the type and source of support and attach all appropriate letters of commitment.

Line A: Total Project Budget—On this line indicate the total dollar support by source and percentage of project.

Line B-I: Total Costs by Categories—On these lines indicate the total costs by categories to be paid through the project when applicable. Under these totals, list each specific item. The basis for these costs should be included in the Budget Justification.

BUDGET JUSTIFICATION - Explain by line item the basis for budget costs and attach to budget form.

PERSONNEL-SALARIES AND WAGES - List all full and part-time staff. The following is the suggested layout:

No. of Persons	Title	Monthly Salary	% of Time on Project	No. Mos. on Project	Total Program	NAP Cost
(1)	Director	\$1,000.00	100%	12	\$12,000.00	None
(1)	Counselor	\$ 666.66	50%	12	\$ 8,000.00	\$4,000.00

(a) Salaries should be established at the prevailing rates for similar agencies in your community.

(b) If this is a new project, provide enough flexibility to allow you to hire staff within the salary range established for a position insuring that the salary will average out to the amount you have requested.

(c) If this is a renewal project insure that you have allowed for any increments established by your personnel policies and procedures and that the salary averages out to the amount you have requested.

(d) Job descriptions and salary comparability data, if available, are requested to accompany this proposal.

FRINGE BENEFITS - List all fringe benefits your employees will be receiving, their percentage and dollar value. The following is an example:

FICA	Total Program/NAP
FICA 6.65% x \$16,000.00	\$1,064.00/\$266.00

Some fringe benefits may be paid on an absolute dollar amount. Example: Health Insurance \$10.00 per month x 2 employees x 12 months = \$240.00/or \$60.00.

(a) The Department does not allow profit sharing plans as a fringe benefit item.

(b) The Department will not allow the dollar value of accumulated annual leave or compensatory time as a fringe benefit item for carry over. Leave time (vacation) must be taken within the period of the project.

CONSULTANT AND CONTRACT SERVICES -

Contract Services: This item will be used for paid services which are not compatible with the hiring of a full-time staff person.

Example: Bookkeeping services \$75 per month x 12 months

Total Program/NAP
\$900.00/\$900.00

Consultant: This item will be used for services that provide needed reports or other end results. Example: 15 training days to conduct staff training project at \$100.00 a day. Give a reasonable estimate.

\$1,500.00/\$750.00

TRAVEL - This item should be divided into local and out-of-town travel. Each department should be itemized by individual and cost. Example:

1. Local Travel - (2) Community Development Directors 100/mi./mo. x 10/mi. x 12 mo.

Total Program/NAP
\$120.00/\$120.00

2. Out-of-Town Travel - (1) Fiscal Training Seminar 7/1-7/5/91, Round Trip Airfare to Atlanta \$140.00, \$33.00 a day per diem for 5 days = \$165.00

Total Program/NAP
\$305.00/\$152.50

RENTAL LEASE PURCHASE OF EQUIPMENT - List all equipment purchased that will be used in the proposed project.

Example:

(1) Desk and Chair @ \$100.00	\$100.00/None
(1) File Cabinet @ \$50.00	\$ 50.00/None
(1) Adding Machine @ \$125.00	\$125.00/None
(1) Sprint Duplicator @ \$15.00/mo. x 12 mo.	\$180.00/\$45.00
Total:	\$455.00/\$45.00

Use reasonable, current costs for such items (e.g. from a catalogue) to determine the price.

BUILDING AND SPACE COSTS - List all facilities you will be using. The rent you pay should be comparable to the prevailing rents in the geographic area in which you are located. Also, include the costs of utilities, maintenance and/or renovations if they are essential to your program. Example:

	Total Program/NAP
2,000 sq. ft. 30/ft./mo. x 12 mo.	\$7,200.00/\$1,800.00
Maintenance \$75.00/mo. x 12 mo.	\$900.00/\$225.00
Utilities \$50.00/mo. x 12 mo.	\$600.00/\$150.00
Total Space Cost:	\$8,700.00/\$2,175.00

CONSUMABLE SUPPLIES - List in this item all expendable supplies that will be used during the proposed project. Supplies such as paper clips, paper, pens, etc. should be calculated at a reasonable use cost per year. Example:

	Total Program/NAP
Supplies for 2 staff @ \$50.00 per year	\$100.00/\$25.00
Arts and crafts @ \$25.00/mo. x 12 mo.	\$300.00/\$75.00
Total:	\$400.00/\$100.00

OTHER COSTS - Include in this category such things as telephones, vehicle maintenance, insurance, dues and subscriptions, postage, mailing, etc. These are items that do not logically fit elsewhere. These costs must be itemized and estimated as close as possible. Example:

	<u>Total Program/NAP</u>
(2) Telephone @ \$20.00/mo. x 12 mo.	\$240.00/\$60.00
Long distance calls @ \$50.00/mo. x 12 mo.	\$600.00/\$150.00
Total:	<u>\$840.00/\$210.00</u>

Total Project Budget: \$30,396.00/\$8,759.00

1021-2/101T

**4 CSR 85-2.030 Approval and Notification for Tax Credits to Business Firms**

PURPOSE: The Department of Economic Development shall approve or disapprove applications for tax credit to business firms which have invested in approved neighborhood assistance projects. The director of the Department of Economic Development, upon approval of an application, shall notify the director of the Department of Revenue and the governor of those business firms entitled to a tax credit. This rule establishes procedures and identifies requirements for filing a Tax Credit Application.

(1) Business firms wanting to donate to a particular neighborhood assistance project, but first wishing to verify the eligibility of their donation for a tax credit, may submit a Tax Credit Eligibility Confirmation form to the department. The department will confirm in writing whether or not the donation qualifies for credit and how the value of the credit will be determined. This confirmation will not constitute credit approval, however, the projects themselves may reserve credits for specific donors if they wish.

(2) In order to qualify for credit, donations must occur during the approved project period (with the exception of donated audit services, which may occur anytime during the six (6)-month period following the project period) and must be directly related to the approved project.

(3) Business firms wishing to apply for credit must complete a Neighborhood Assistance Tax Credit Application.

(4) Tax credit applications are to be signed by the neighborhood organization and submitted directly to the respective Neighborhood Assistance Program (NAP) field office of the department no later than one (1) year following the date of donation.

(5) The order in which completed credit applications are received by the department will determine the order in which credits are approved. Facsimile copies will not be considered complete applications.

(6) Every transmittal of tax credit applications to the department must be accompanied by a project report, prepared by the neighborhood organization.

(7) The department shall examine all submitted applications and determine whether the donation meets the eligibility criteria.

(8) A tax credit not to exceed fifty percent (50%) of the total amount contributed during the business firm's taxable year may be allowed by the department, with the exception of up to a seventy percent (70%) tax credit for special programs as referred to in subsection (3)(A), or a seventy percent (70%) credit for projects located in any rural community as referred to in subsection (8)(B).

(A) A special credit of up to seventy percent (70%) may be allowed for donations to programs where activities fall within the scope of special programs or priorities as defined by regulations promulgated by the director of the department and approved by the governor.

(B) A special credit of up to seventy percent (70%) may be allowed for projects located in rural communities defined as follows:

1. Any city, town or village having a population of fewer than fifteen thousand (15,000) inhabitants located in a county—

A. That is not part of a standard metropolitan statistical area (SMSA) as defined by the United States Department of Commerce or its successor agency;

B. Designated as part of an SMSA, but having a substantial number of persons in that county who derive their income from agriculture; or

C. Designated as part of an SMSA with only one (1) city in that county having a population of more than fifteen thousand (15,000) inhabitants; and

2. These tax credits equal to seventy percent (70%) of donations to projects in rural communities shall not exceed two (2) million dollars in any fiscal year.

(C) The following method will be used to determine the value on donations of real or personal property:

1. Outright gifts of real or personal property shall be equal to the lowest of at least two (2) qualified independent appraisals, with the following exceptions: commercial property whose value is less than fifty thousand dollars (\$50,000) and vacant or residential property which value is less than twenty-five thousand dollars (\$25,000) will only require one (1) appraisal. When the tax credit application is submitted, the actual cost of the appraisals may be included as part of the donation on which a tax credit is requested, provided that documentation of the costs is included in the application; and

2. When businesses do not transfer full title to real or personal property, but merely offer the use of real or personal property, the amount of the donation shall equal either the comparable market value of the rental, or the actual rental value, whichever is less.

(D) The following method will be used to determine the value of other forms of in-kind contributions:

1. Outright gifts of equipment, materials, supplies or other goods shall equal either the cost to the donor or the fair market value, whichever is less. Fair market value and cost to the donor shall be determined by the department and may be based on the applicant's support of the amounts by documentation either from the applicant itself or from an independent appraiser. If an appraisal by an independent appraiser is submitted by the applicant and adopted by the department, the actual costs of the appraisal may be included as part of the contribution. Cost to the donor may include reasonable overhead expenses incurred in making the contribution;

2. When businesses contribute the use of items, the amount of the donation shall equal the actual cost of the item's use to the contributor, but not more than the fair market value of that use. Cost and fair market value shall be determined in the same fashion as in the case of outright gifts;

3. Contributions of food items will be eligible to receive credit, but will be limited to organizations involved primarily in food redistribution.

A. The value of the contribution shall equal the cost to the donor or the fair market value of the items, whichever is less. Fair market value and cost to the donor shall be determined by the department and may be based on the applicant's support of those amounts. In certain cases, a simple factor for spoilage may be applied against the donor's cost to arrive at fair market value. Cost to the donor may include reasonable overhead expenses incurred in making the contribution.

B. Required documentation shall be determined by the department and shall include, in every case, a copy of the receipt signed by the project director of the recipient organization or his/her designee.

C. The total amount of credits to be allowed under this provision shall be limited to two (2) million dollars in any one (1) state fiscal year.

D. This provision of the Neighborhood Assistance Act will be reviewed and evaluated one (1) year from the date of its adoption; and

4. Effective for all projects approved in Fiscal Year 1993 or later, credit will be allowed on the donation of stock, bonds, or both, as follows:

A. Market value on the actual date of donation will determine the value that the credit will be based on; and

B. Credit will only be approved once the stock, bonds, or both, have been sold, however, the amount of sale proceeds received by the organization will have no effect on the value of the donation for NAP purposes.

(E) Business firms lending personnel to render expertise and assistance to a neighborhood organization are eligible for tax credit. Personnel time must be prorated based on the employee's hourly wage from the firm. The exact amount of time spent on the project must be verified, in writing, by the project director.

(F) Contributions of professional services are also eligible for tax credits. At the discretion of the department, individuals may be required to document similar payment for similar work during the six (6)-month period prior to the date of contribution, whether to the same organization or not.

*Auth: section 32.115, RSMo (Cum. Supp. 1990). * Original rule filed Jan. 10, 1978, effective April 13, 1978. Rescinded and readopted: Filed Sept. 7, 1980, effective Feb. 10, 1981. Rescinded and readopted: Filed Sept. 14, 1982, effective Dec. 11, 1982. Amended: Filed March 14, 1984, effective Sept. 15, 1984. Amended: Filed Jan. 3, 1992, effective Aug. 6, 1992. Amended: Filed Dec. 10, 1993, effective July 10, 1994.*

**Original authority 1977, amended 1980, 1989, 1990.*



<p>State of Missouri Department of Economic Development Neighborhood Assistance</p> <p>TAX CREDIT APPLICATION (Chapter 32, RSMo Supp. 1984)</p> <p>See Instructions on Reverse Side</p> <p><input type="checkbox"/> Check here if this is your first NAP tax credit application.</p>	<p>Department Use Only</p> <p>Log No. _____ Project No. _____</p> <p>Qualifying Contribution: _____</p> <p>Approved Tax Credit: _____</p> <p>Reviewed By: _____ Date: _____</p> <p>Allowable Period</p> <p>This credit may be claimed against taxes due for any taxable periods between _____ and _____</p> <p>Approved by: _____</p>
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Part I: Business Eligibility Please complete the section below that describes your business *at the time the contribution was made*:

1. ☐ A corporation filing Federal Form 1120 and Missouri Form 20.
Corporation name: _____
2. ☐ A sole proprietorship filing Federal Form 1040 Schedule C and Missouri Form 40.
Business name and owner: _____ SSN: _____
3. ☐ A farm operation filing Federal Form 1040 Schedule F and Missouri Form 40.
Proprietor name: _____ SSN: _____
4. ☐ An individual reporting income from rental property or royalties on Federal Form 1040 Schedule E and filing Missouri Form 40.
Individual name: _____ SSN: _____
5. ☐ A small business corporation (S Corp.) filing Federal Form 1120S and Missouri Form 20S. (Attach a complete list of shareholders, social security numbers, and percent ownership of each.)
Business name: _____
6. ☐ A partnership filing Federal Form 1065 and Missouri Form 65. (Attach a complete list of partners, social security numbers and percent ownership of each.)
Partnership name: _____
7. ☐ A bank, credit institution, savings and loan association, credit union, farmer's cooperative credit association, or building and loan association filing a Missouri financial institution tax return.
Business name: _____
8. ☐ An insurance company filing a Missouri Insurance Tax return with the Division of Insurance.
Company name: _____

Part II: Business Identification

10. Business mailing address: _____
11. Contact person: _____ Daytime phone No. (____) _____
12. Taxes are paid by: ☐ Calendar year ☐ Fiscal year from _____ to _____
13. Federal Employer ID Number: _____ 14. Missouri Charter Number: _____
15. Missouri Employer Withholding Number: _____ 16. Missouri Sales Tax Number: _____
17. Circle the taxes you intend primarily to take this credit against: corporate income tax, franchise, financial institution, gross premium receipts, gross receipts, individual income tax.

Part III: Description of Contribution

18. Name of project or organization: _____
19. Total amount of this contribution: _____ Date(s): _____
20. Brief description (if other than cash): _____
21. Proof attached: ☐ Check ☐ Invoice ☐ Appraisal ☐ Affidavit

Part IV: Notarized Statement (to be completed by the business in the presence of notary)

State of Missouri)
County of _____) ss
_____, being first duly sworn on his/her oath
(Person requesting this credit) (Title)
states: that he/she has examined the above application and attachments and that all matters stated therein are, to the best of his/her knowledge, information and belief, true, correct and complete.

Signature
23. Subscribed and sworn to before me on this _____ day of _____, 19____.

My Commission expires _____

Notary Public Signature

Part V: Statement of Receipt (To be completed by the Project Director)

24. I have examined this application (including all attachments) in its entirety and believe it to be an accurate description of the contribution actually received by our organization for the purpose of carrying out Neighborhood Assistance Project # _____ approved by the Department of Economic Development.

Date: _____

Project Director's Signature

Neighborhood Assistance Tax Credit Application*(For Businesses That Have Contributed to Approved Neighborhood Assistance Projects in Missouri.)***General Instructions**

1. Please type or neatly print all requested information on the application. If a particular question is not applicable, indicate "NA".
2. All questions pertain to your business at the time the contribution was made. Information furnished will also be used by the Department of Revenue.
3. Do not write in the section labeled "Department Use Only."
4. Attach proof of contribution and send the original completed application to the agency that received your NAP contribution. The Department will notify you of approval or disapproval. (In unusual circumstances, this application may be submitted directly to the Department of Economic Development.)
5. **Do not claim this credit on your Missouri Tax Return until you have received an approved copy of this application from the Department of Economic Development. The amount of approved credit will be indicated in the upper right-hand box.**
6. Please allow the Department of Economic Development 4 to 6 weeks for processing.
7. Any portion of the credit not claimed on the taxable periods allowed will automatically be forfeited. The credit is not refundable.
8. If future taxable periods are modified, the allowable period during which this credit may be claimed will be adjusted accordingly by the Department of Revenue.

Line-By-Line Instructions**Lines**

- 1-9 Check the box that describes your business at the time the contribution was made, and enter the exact information requested for that box only. Partnerships and S-Corporations are required to attach a complete list of partners or shareholders, along with the percent ownership of each, and appropriate social security or Federal I.D. numbers. (NOTE: The percent of profit distribution is not always the same as percent of ownership.) If any of the partners or shareholders are trusts, include both the Federal I.D. number for the trust and social security number for the beneficiary.
- 10 Indicate the complete address to which all correspondence concerning this application may be sent.
- 11 Indicate the person who may be contacted for more information concerning this application, and their daytime telephone number.
- 12 Indicate whether your tax is paid by calendar year or fiscal year. If fiscal year, enter the period.
- 13-16 Indicate appropriate numbers, where applicable.
- 17 Indicate the specific taxes you intend primarily to take the credit against, either corporate income, franchise, financial institution, gross premium receipts, gross receipts, or individual income tax. NOTE: You are not required to claim the credit in this manner. Your response on this line simply allows the Department of Revenue to make necessary computer entries establishing the amount of credit available to you.
- 18 Indicate the name of the organization or project that received your contribution.
- 19 Indicate the date and amount of each contribution included in this application. (Refer to official NAP rules for instructions on how to establish the value of contributions other than cash.) NOTE: Contributions made to the same project within the same taxable year may be combined on a single credit application. (Example: If your taxable year runs from October 1 to September 30, and you made three contributions to the same NAP project during that time, you may combine them on the same application.)
- 20 Briefly describe what your contribution consisted of, (e.g. technical assistance, building materials, real estate, office supplies, vehicles, manpower, etc.) If you contributed an item that was subsequently sold in order to generate operating capital, it is considered a cash contribution, normally equal to the amount of cash actually generated.
- 21 Check the box(es) indicating the forms of documentation attached. (Refer to official NAP rules for instructions on required documentation. If you wrote a check, simply attach a photocopy of the front and back of the cancelled check.)
- 22 The person completing this form on behalf of the business is to sign this section in the presence of a notary.
- 23 The notary public is to sign here and affix the notary seal.
- 24 Once your application has been submitted to the agency that received your contribution, this section will be signed by the agency representative designated as the Neighborhood Assistance Project Director. It will then be forwarded to the Department of Economic Development for processing.

If you have any questions concerning this application, please contact:

Department of Economic Development
Neighborhood Assistance Program
P.O. Box 118
Jefferson City, MO 65102
(314) 751-4849
ATTN: Tax Benefits Section



Tax Credit Eligibility Confirmation Neighborhood Assistance Program

Instructions: This form is to be used only if you desire written confirmation from the State that your contribution to a particular project will qualify for credit under Missouri's Neighborhood Assistance Program. **This form does not constitute actual tax credit approval.** Once your contribution has been made, a Tax Credit Application must be submitted and approved by the Department of Economic Development before the Department of Revenue will allow the credit to be claimed on your tax return. Please type or neatly print all of the information requested below.

1. Check the appropriate box and complete the section below that describes your business. **You must be in business in Missouri at the time the contribution is made.** (If your business is a partnership or an S-corporation, the credit will be distributed among all shareholders or partners according to exact share of ownership.)

a. ☐ A corporation filing Federal Form 1120 and Missouri Form 20.

Name of corporation: _____

b. ☐ A small business corporation (S-corporation) filing Federal Form 1120S and Missouri Form 20S.

Name of business: _____

c. ☐ A sole proprietorship filing Federal Form 1040 Schedule C and Missouri Form 40.

Name of business: _____

Owners: _____ SSN: _____

d. ☐ A farm operation filing Federal Form 1040 Schedule F and Missouri Form 40.

Owner: _____ SSN: _____

e. ☐ An individual reporting income from rental property or royalties on Federal Form 1040 Schedule E and filing Missouri Form 40.

Name of individual: _____ SSN: _____

f. ☐ A partnership filing Federal Form 1065 and Missouri Form 65.

Name of partnership: _____

g. ☐ A bank, credit institution, savings and loan association, credit union, farmer's cooperative credit association, or building and loan association filing a Missouri financial institution tax return.

Name of business: _____

h. ☐ An insurance company filing a Missouri Insurance Tax return with the Division of Insurance.

Name of company: _____

i. ☐ An express company filing an annual report on gross receipts in Missouri.

Name of company: _____

2. Business Mailing Address: _____

3. Day Phone Number: (_____) _____

4. Name of Recipient Organization: _____

5. Briefly describe the nature of your contribution: _____

6. Amount of anticipated contribution: _____
(Refer to official NAP rules for instructions on how to value contributions other than cash.)

7. Anticipated date(s) of contribution: * _____

8. _____
Name Title

Signature Date

Send completed form to the NAP organization you wish to donate to. They will complete the following portion and forward it to the Department of Economic Development for processing.

Total NAP tax credits currently authorized for this project is \$ _____. A total of \$ _____
in tax credits has already either been approved or obligated, leaving a balance available of \$ _____. We hereby
obligate \$ _____ in tax credits for this donor contingent upon actual receipt of the donation and credit
application no later than _____.

Project Director Signature Date

State Use Only

Based on the above information, the Department of Economic Development confirms that the proposed contribution will qualify for
tax credit equal to _____ % of the value of the contribution. The contribution will be valued as follows: _____

Name Title

Signature Date



4 CSR 85-2.040 Issuing of the Tax Credit

PURPOSE: *In those situations where an application for tax credits has been approved, the Department of Revenue shall grant a tax credit against any tax which may be due as stipulated in section 32.115, RSMo. This rule establishes the total amounts of tax credits, computation of tax credits and proof of contribution. This rule implements sections 32.110, 32.115, 32.117 and 32.120, RSMo.*

(1) Qualifying individuals are allowed credit for donations of cash or any goods, materials and services for which they normally receive payment.

(2) The total tax credit approved for a business firm shall not exceed two hundred fifty thousand dollars (\$250,000) annually, except that the credit may exceed two hundred fifty thousand dollars (\$250,000) annually and shall not be limited if community services, crime prevention, education, job training or neighborhood assistance as defined by section 32.105, RSMo is rendered in an area defined by federal or state law as an impoverished, economically distressed or blighted area or as a neighborhood experiencing problems endangering its existence as a viable and stable neighborhood, or if the community services, crime prevention, education, job training or neighborhood assistance is limited to impoverished persons.

(3) No tax credit shall be approved for any bank, bank and trust company, insurance company, trust company, national bank, savings association or building and loan association for activities that are part of its normal course of business.

(4) Any portion of the tax credit not claimed by the business firm in the period the donation was made may be carried over for the next five (5) succeeding calendar or fiscal years or until the full credit has been issued, whichever occurs first.

(5) Required documentation for the tax credit depends on the form of the donation. Evidence of donation must be attached to the credit application and may include, but not necessarily be limited to, one (1) of the following:

(A) Cash donations shall require a copy of the cancelled endorsed check(s), both sides, automatic deposit, bank statements or any other form of documentation acceptable to the department. When a program is sponsored by an organization that conducts many varied programs, a donation in the form of a check under an approved project name must be made payable to the organization and specifically

noted for that project. The organization must endorse the checks in the name of the specific program and, in certain instances, open a separate bank account in the program's name;

(B) Real estate donations shall have a copy of the deed and the required number of appraiser's reports. All appraisals must be performed by state-licensed or certified appraisers;

(C) Equipment or supplies shall have a copy of the invoice or other documentation showing the cost to the donor or current fair market value, whichever is less;

(D) Donations of labor and technical assistance shall include a statement signed by the employee and employer itemizing time spent on the project and the employee's regular hourly wage; or

(E) Donation of professional services shall require an invoice detailing the nature and dates of services rendered, indicating standard billing amount, less any payment received.

(6) In the event that a tax credit was improperly approved, the department will notify the business firm of the reason for the adjustment and notify the Department of Revenue that the tax credit has been adjusted and the reason for the adjustment.

(7) The director of the Department of Economic Development will transmit in writing to the director of the Department of Revenue the necessary information on the amount of tax credit allowable to the business firms.

(8) If the business firm making an investment is a partnership, the approved tax credits shall be apportioned to the partners in direct proportion to their share(s) of ownership of the partnership.

(9) If the business firm making an investment is a corporation described in section 143.471, RSMo, the tax credit shall be apportioned to each of the shareholders in direct proportion to their share of ownership of the business.

Auth: section 32.115, RSMo (Cum. Supp. 1990). Original rule filed Jan. 10, 1978, effective April 13, 1978. Rescinded and readopted: Filed Sept. 7, 1980, effective Feb. 10, 1981. Rescinded and readopted: Filed Sept. 14, 1982, effective Dec. 11, 1982. Amended: Filed Jan. 3, 1992, effective Aug. 6, 1992.

4 CSR 85-2.050 Special Program Priority

PURPOSE: *This rule establishes guide lines and criteria to assist businesses and neighborhood organizations to*

participate in special programs. A tax credit of up to seventy percent will be allowed for investments in programs where activities fall within the scope of special priorities established with the approval of the governor.

(1) Contribution to a Neighborhood Assistance Program as named in section 32.105, RSMo which has been approved by the director of the Department of Economic Development and which is carried out in a specific impoverished urban neighborhood by an organization controlled by residents of that area will qualify for a tax credit of seventy percent (70%) of the total amount contributed by the business firm as provided in section 32.115, RSMo.

(2) For the purpose of this special program priority, the following terms shall mean:

(A) Impoverished urban neighborhood, a specific geographic area within a standard metropolitan statistical area (SMSA) where the median income is eighty percent (80%) or less than the median income of the entire SMSA; and

(B) Controlled by residents, having a board of directors of which at least fifty-one percent (51%) of its members are residents of the specific neighborhood where the project is to be carried out who are selected through a democratic process open to all residents of the neighborhood.

(3) Application for approval of proposals for this special program priorities shall be made according to the provisions of 4 CSR 85-2.020.

(4) Approval and granting of tax credits shall be done according to the provisions of 4 CSR 85-2.030 and 4 CSR 85-2.040 respectively.

Auth: section 32.115, RSMo (Cum. Supp. 1990). Original rule filed Aug. 28, 1980, effective Feb. 10, 1981. Amended: Filed Jan. 3, 1992, effective Aug. 6, 1992.